

THE HENDRICKSON COMPANY

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To: Housing Finance Authority of Leon County Board of Directors
From: Mark Hendrickson, Administrator
Subject: November 12, 2020 HFA of Leon County Board Meeting
Date: November 5, 2020

I. Financial Reports and Budget—Action

1. The October 2020 Financial Statement is attached. Net assets as of October 31, 2020 are \$1,374,399.65, with \$960,267.33 in cash (\$284,938.16 restricted for housing programs and \$25,000 offset by liability—good faith deposit).
2. All Emergency Repair and CDBG expenditures are booked against the restricted assets from the property sales (they meet the test as direct housing expenditures). As of November 2:
 - ✓ Total revenues from property sales: \$419,181.16
 - ✓ Emergency Repair expenditures since August 2016: \$167,080
 - ✓ CDBG rehab: \$12,163
 - ✓ Remaining Restricted Funds: \$239,938.16
3. An Expenditure Approval list and bank/SBA statements are attached.
4. The FY 2019-2020 audit has begun.
5. **Recommendations:** None

II. Bond and Local Government Contribution Applications—Action

1. The HFA published a NOFA for bond applications for developments that would also seek SAIL funding from FHFC. The NOFA is “open”, meaning applications are on a “first-come first-evaluated” basis.
2. New applications were received for **Magnolia Senior** and **Magnolia Family II**. Magnolia Senior and Magnolia Family II have the required contribution for their SAIL applications from the City.
3. **Magnolia Family** is moving through credit underwriting with an anticipated closing in Summer of 2021.
4. **Recommendation:** Adopt Inducement Resolution for **Magnolia Senior** and **Magnolia Family II** developments, as prepared by bond counsel

Name	Magnolia Family	Magnolia Senior	Magnolia Family II
Owner Entity*	Country Club Magnolia Family, LP	Country Club Magnolia Senior, LP	Country Club Magnolia Family II, LP
Developer/Location	New Affordable Housing Partners, LLC. Atlanta, Georgia Tallahassee Housing Economic Corporation, Tallahassee, FL	Columbia Residential Atlanta, Georgia Tallahassee Housing Authority Tallahassee, FL	Columbia Residential Atlanta, Georgia Tallahassee Housing Authority Tallahassee, FL
Street Address	Canton Circle, 150' SW of the intersection of Canton Circle & Country Club Drive	Sebring Ct., NE of intersection of Sebring & Country Club Drive	Country Club Dr., SW of intersection of Country Club & Putnam Drive
Type	New Construction	New Construction Garden	New Construction
Demographic	Family	Elderly	Family
County Commission District	District 1, Bill Proctor	District 1, Bill Proctor	District 1, Bill Proctor
Units	130	110	160
Bedrooms	252	125	320
# of Buildings	5 residential buildings	1 residential building	6 residential buildings
# of Stories	3	3 with elevator	3
Credit Underwriter	Seltzer Management	Columbia Residential	Columbia Residential
Estimated Closing Date	May 2021	November 2021	November 2021
Bond Request Permanent Loan Bond Amount	\$15,000,000 or \$115,385/unit \$7,000,000	\$13,500,000 or \$122,727/unit \$6,500,000	\$17,000,000 or \$106,250/unit \$11,500,000
SAIL & ELI Funding	\$6,211,577	\$6,600,000	\$6,600,000
Housing Credit Investor Housing Credits	TBD \$9,376,537	TBD \$8,266,414	TBD \$11,352,521
City Funding	\$1,650,000	\$2,000,000	\$2,000,000
TEFRA Approval	4-28-20	TBD	TBD
Total Cost	\$24,826,109	\$24,693,561	\$32,617,000
Total Cost Per Unit	\$190,971	\$224,487	\$203,856
Land Cost	\$0—Ground Lease from Tallahassee Housing Authority \$0//unit	\$0—Ground Lease from Tallahassee Housing Authority	\$0—Ground Lease from Tallahassee Housing Authority
Acquisition of Building Cost	NA	NA	NA
Hard Construction Cost	\$16,314,670 \$125,497/unit	\$16,630,000 \$151,182/unit	\$23,100,000 \$144,375/unit
General Contractor	TBD	TBD	TBD
Credit Enhancement	TBD	TBD	TBD
Set-Aside Period	50 years	50 years	50 years
Set-Aside Levels	10.0% (13 units) <33% AMI for 15 years, then 60% AMI 90.0% (117 units) <60% AMI	10.0% (11 units) <33% AMI for 15 years, then 60% AMI 90.0% (99 units) <60% AMI	10.0% (16 units) <33% AMI 70.0% (112 units) <60% AMI 20% (32 units) market rate

III. Emergency Repair Program—Informational

1. The HFA authorized an emergency repair program, for minor repairs that need immediate attention—and are not covered by the County’s SHIP Program. A total of \$50,000 has been paid to the County for FY 20-21. Individual repairs are limited to \$1,650 per home (\$7,500 for senior or persons with special needs that reside in mobile homes).
2. Of the \$53,000 FY 19-20 allocation, \$36,259 was spent. The balance of \$16,741 was carried forward to this FY (\$9,503.78 of that encumbered).
3. For FY 19-20, thirteen homeowners received assistance.
4. **Recommendation:** None.

IV. Real Estate—Informational

1. The Real Estate Division is responsible for selling surplus properties designated for affordable housing, with proceeds of the sale coming to the HFA. There has been one new sale in October (through the 8th)—with net to HFA of \$5,000.00 (check received).
2. Sales of seven properties by the Real Estate Division generated total revenues to the HFA of \$107,102. As of October 2, 2020, sales of 51 properties by Ketcham Realty have generated \$312,079.16 to the HFA. The new total is now \$419,181.16.
3. County real estate reports another six sales and eight additional properties under contract—however, funds have not been received.
4. A spreadsheet is attached.
5. **Recommendation:** None.

V. Legal Update—Informational

1. HFA Counsel will report on their activities.
2. **Recommendation:** None.

VI. Occupancy Reports (Quarterly)—Informational

1. Lakes at San Marcos is 98% occupied, up 2% in last quarter. Magnolia Terrace is 95% occupied, down 1% in last quarter. Kenwood Trace is 99%, up 1% from last quarter.
2. The rehabilitation of Magnolia Terrace is 36% complete, up 32% in last quarter. There will be some delays due to COVID-19.
3. **Recommendation:** None.

VII. To-Do List—Informational

To-Do Item	HFA	Admin	County	NGN	Status	Completed
Meeting Date						
Meeting Date						
None						

VIII. State Legislative Update—Informational

1. The Senate and House agreed to full funding for housing—the first time in 13 years. The full funding number is \$370 million. The importance of this cannot be understated.
2. The Sadowski Education Effort (SEE) was essential to this success. We weren't the only ones in the fight, but we were the ones getting the editorials written and in constant communication with legislators focused on this issue. Florida ALHFA's incredible relationship with FHFC/Trey Price was also massively helpful this year. There was truly a coordinated effort.
3. The Governor committed \$250 million of CARES Act funding to housing—primarily for rent and mortgage relief.
4. The Governor vetoed the \$225 million SHIP appropriation. This does not sweep the money into general revenue—it will simply accumulate in the Local Government Housing Trust Fund and be available in a Special Legislative session to sweep, appropriate for SHIP, or leave.
5. SEE is launching a strategy and action steps leading to November—with the goal of the legislature making the SHIP appropriation whenever a Special Session is held.
6. **Recommendations:** None.